

What is a Validator?

Validators are specialized nodes that secure the DeFi Network by producing new blocks and participating in the consensus process.



Validators

are responsible for:

- ✓ Produce new blocks
- ✓ Participate in the consensus process
- ✓ Secure the DeFi Network
- ✓ Enforce protocol rules

Validators are trusted infrastructure operators.

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Nodes vs. Validators



Node



VS.

Validator

Feature	Validator
• Verifies blockchain	✓
• Produces blocks	✗
• Earns block rewards	✗
• Requires stake	✗
• Limited slots	✗
• Higher responsibility	✗
• Higher responsibility	✓

**Every validator runs a node,
but not every node is a validator.**

Validator Rewards

Validators earn rewards for:

- ✓ Staying **online**
- ✓ Signing blocks **honestly**
- ✓ Participating in consensus

Rewards include:

- 🟡 **Block rewards** (New DeFi issuance)
New tokens issued by the protocol
to secure the network
- 🟡 **Transaction fees**
- 🟡 **Proposer bonuses**



Rewards are paid in:

DeFi Tokens

- 🟡 **Block rewards** (New DeFi issuance)
New tokens issued by the protocol to secure the network
- 🟡 **Transaction fees**
- 🟡 **Proposer bonuses**

Validators are economically aligned with
the **health** of the network.

Becoming a Validator

Minimum requirements:

✓ DeFi tokens staked (self-bond):

A minimum amount of DeFi tokens must be staked to secure a validator slot.

✓ Reliable uptime

Validator nodes must be consistently online to produce and verify blocks.

✓ Secure key management

Private keys must be stored securely to prevent unauthorized access.

✓ Technical competence

Operators need knowledge of blockchain technology and network operations.

✓ Commitment to the network:

Validators must align with the long-term goals of the DeFi Network.



Validator slots are limited and curated to protect network stability.

Phase 0 Overview

Building a Decentralized Network

Phase 0 is the critical first step in bootstrapping a decentralized, globally connected network.



Early Validators

The first wave of validators get set up to bootstrap the network.



Modest Rewards

Initial inflation and rewards are intentionally low as validators begin securing the network.



Limited Slots

Only a small number of validator positions are available.



No Guarantees

Participating in Phase 0 does not guarantee future rewards or network success.

